



GOVERNOR OF MISSOURI

JEFFERSON CITY

65102

JEREMIAH W. (JAY) NIXON
GOVERNOR

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June 24, 2014

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 2010 entitled:

AN ACT

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Mental Health, the Department of Health and Senior Services, and the several divisions and programs thereof, and the Missouri Health Facilities Review Committee to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2014 and ending June 30, 2015; provided that no funds from these sections shall be expended for the purpose of costs associated with the offices of the Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, or Attorney General, and further provided that the Department of Mental Health shall employ no more than 4,878.20 full-time equivalent employees (FTE) from the General Revenue Fund, and further provided that the Department of Health and Senior Services shall employ no more than 656.56 full-time equivalent employees (FTE) from the General Revenue Fund.

The General Assembly passed the Fiscal Year 2015 budget on May 8, 2014. One week later, during the final hours of the legislative session, the General Assembly passed a number of bills that put this budget severely out of balance. On June 11, 2014 I vetoed each of these bills, providing detailed reasons for my objections, including the General Assembly's failure to account for these measures in the Fiscal Year 2015 budget. Further, I objected to these measures because of the significant damage they would inflict on the budgets of local jurisdictions. Contained within these bills are loopholes and special breaks that would permanently and immediately begin reducing state revenue by more than \$425 million annually and local revenue by more than \$351 million annually.

Despite my veto of these bills, the Governor's Constitutional obligation to ensure a balanced budget requires that I account for their potential fiscal impact. I must consider all possible actions that the legislature may take. Therefore, it is essential that I make the fiscally responsible decision to include the impact of these bills in the budget actions I am taking today.

Maintaining a balanced budget also requires the consideration of three other fiscal realities that were not taken into account in the Fiscal Year 2015 budget. First, the General Assembly counted on but ultimately failed to pass tax amnesty legislation, resulting in \$51.8 million less in general revenue for the budget. Second, the General Assembly's budget included \$50 million in tobacco settlement payments the Attorney General has indicated will likely not be available during Fiscal Year 2015. Third, the economic uncertainty facing all states is exacerbated in Missouri by the legislature's inaction on Medicaid expansion. The legislature's continued refusal to bring Missouri taxpayer dollars home and make up for federal health care cuts with an expansion of Medicaid is forcing hospitals to lay off workers and scale back services across the state. The fiscal consequences of these and other policies are already being seen in reduced revenue available to fund priority programs.

The combination of these fiscal realities and the 10 tax loophole bills passed by the General Assembly has resulted in a state budget that is severely out of balance. Compounding the problem, the General Assembly went on a spending spree, funding more than 30 new programs and the construction of new government buildings. In total, the General Assembly added funding above my recommendations for more than 100 spending items in the Fiscal Year 2015 budget.

The fiscal imbalance created by the General Assembly in enacting tax loopholes and exemptions without accounting for them in the budget, while at the same time adding funding for new government programs, must be corrected through my actions today to balance the state budget. In total, I am vetoing \$275.7 million in spending authority from the Fiscal Year 2015 budget, including \$144.6 million general revenue. In addition, I am restricting \$846.3 million in spending, including \$641.6 million general revenue; some or all of these restrictions may be released if funds are available. Combined, these actions will ensure the budget remains balanced and the state remains on a strong fiscal footing, one that will preserve resources for the highest priority state services and help to protect the state's spotless AAA credit rating.

For the aforementioned reasons and to ensure that the state budget remains balanced, I am vetoing the line-items specified below:

Section 10.105

I hereby veto \$201,931 general revenue for a rate increase for community-based providers.

For Community 2000 Team programs.

From \$931,231 to \$729,300 General Revenue Fund.

From \$9,279,376 to \$9,077,445 in total for the section.

Section 10.110

I hereby veto \$4,129,322, including \$3,438,087 general revenue, including \$2,334,884 for a rate increase for community-based providers, \$750,000 for detoxification services, \$44,438 for a rate increase for adolescent services and \$1,000,000 for ex-offender treatment services.

For treatment of alcohol and drug abuse.

From \$40,081,160 to \$37,643,073 General Revenue Fund.

From \$40,600,666 to \$38,162,579 in total from General Revenue Fund.

For reducing recidivism among offenders with serious substance use.

From \$1,000,000 to \$0 from General Revenue Fund.

For funding youth services.

From \$30,600 to \$30,000 from Mental Health Interagency Payments Fund.

For treatment of alcohol and drug abuse.

Expense and Equipment by \$690,635 from \$62,724,606 to \$62,033,971 from Federal Funds.

From \$66,577,824 to \$65,887,189 in total from Federal Funds.

From \$125,180,141 to \$121,050,819 in total for the section.

Section 10.115

I hereby veto \$4,220 Compulsive Gamblers Fund for a rate increase for community-based providers.

For the treatment of compulsive gambling from \$215,236 to \$211,016 from Compulsive Gamblers Fund.

From \$259,792 to \$255,572 in total for the section.

Section 10.120

I hereby veto \$141,300 Federal and Other Funds for a rate increase for community-based providers.

For the Substance Abuse Traffic Offender Program.

From \$904,034 to \$894,483 from Federal Funds.

From \$6,911,749 to \$6,780,000 from Mental Health Earnings Fund.

From \$8,073,203 to \$7,931,903 in total for the section.

Section 10.210

I hereby veto \$13,069,015, including \$6,472,304 general revenue, including \$6,369,120 for a rate increase for community-based providers, \$620,000 for additional psychiatric residency positions, \$5,919,320 for an emergency services pilot in Kansas City, and \$160,575 for the Missouri Eating Disorder Council.

For adult community programs.

Expense and Equipment by \$640,506 from \$1,413,995 to \$773,489 General Revenue Fund.
From \$1,493,121 to \$852,615 in total from General Revenue Fund.

For adult community programs.

From \$113,826,171 to \$108,274,713 from General Revenue Fund.
From \$205,325,837 to \$198,729,126 from Federal Funds.

For programs for the homeless mentally ill.

From \$553,892 to \$524,127 General Revenue Fund.

For inpatient redesign community alternatives.

From \$4,590,000 to \$4,500,000 General Revenue Fund.

For the Missouri Eating Disorder Council.

Personal Service by \$38,000 from \$38,000 to \$0 General Revenue Fund.

Expense and Equipment by \$122,575 from \$162,000 to \$39,425 General Revenue Fund.

From \$200,000 to \$39,425 in total from General Revenue Fund.

From \$341,663,261 to \$328,594,246 in total for the section.

Section 10.225

I hereby veto \$1,581,112, including \$791,133 general revenue for a rate increase for community-based providers.

For youth community programs.

Expense and Equipment by \$1,202 from \$61,303 to \$60,101 General Revenue Fund.

From \$174,404 to \$173,202 in total from General Revenue Fund.

For youth community programs.

From \$29,928,555 to \$29,138,624 from General Revenue Fund.

From \$46,882,487 to \$46,104,508 from Federal Funds.

For youth services.

From \$612,000 to \$600,000 from Mental Health Interagency Payments Fund.

From \$79,900,754 to \$78,319,642 in total for the section.

Section 10.410

I hereby veto \$49,760,809, including \$18,402,883 general revenue, including \$16,226,238 for a rate increase for community-based providers, \$29,234,571 for rebasing rates of community-based providers, \$300,000 for an autism spectrum disorder clinic, \$1,000,000 for regional autism projects, and \$3,000,000 for a family support partnership program.

For community programs.

From \$252,048,399 to \$235,858,316 from General Revenue Fund.

From \$560,997,840 to \$532,566,124 from Federal Funds.

For consumer and family directed supports/in-home services/choices for families.

From \$18,985,559 to \$18,607,005 from General Revenue Fund.

For programs for persons with autism and their families.

From \$4,340,896 to \$3,961,663 from General Revenue Fund.

For Regional Autism projects.

From \$8,905,661 to \$7,750,648 from General Revenue Fund.

For services for children who are clients of the Department of Social Services.

From \$10,970,100 to \$10,755,000 from Mental Health Interagency Payments Fund.

For youth services.

From \$566,610 to \$555,500 from Mental Health Interagency Payments Fund.

For the Family Support Partnership Program.

From \$300,000 to \$0 from General Revenue Fund.

From \$2,700,000 to \$0 from Federal Funds.

From \$887,300,665 to \$837,539,856 in total for the section.

Section 10.500

I hereby veto \$272,360, including \$263,982 general revenue for the Albany Regional Center.

Personal Service by \$209,953 from \$1,086,246 to \$876,293 General Revenue Fund.

Expense and Equipment by \$54,029 from \$108,057 to \$54,028 General Revenue Fund.

From \$1,194,303 to \$930,321 in total from General Revenue Fund.

Personal Service by \$8,378 from \$171,424 to \$163,046 Federal Funds.

From \$175,260 to \$166,882 in total from Federal Funds.

From \$1,369,563 to \$1,097,203 in total for the section.

Section 10.510

I hereby veto \$356,806, including \$322,734 general revenue for the Hannibal Regional Center.

Personal Service by \$248,567 from \$1,068,691 to \$820,124 from General Revenue Fund.
Expense and Equipment by \$74,167 from \$149,477 to \$75,310 from General Revenue Fund.
From \$1,218,168 to \$895,434 in total from General Revenue Fund.

Personal Service by \$25,664 from \$170,253 to \$144,589 from Federal Funds.
Expense and Equipment by \$8,408 from \$17,586 to \$9,178 from Federal Funds.
From \$187,839 to \$153,767 in total from Federal Funds.
From \$1,406,007 to \$1,049,201 in total for the section.

Section 10.515

I hereby veto \$298,863 general revenue for the Joplin Regional Center.

Personal Service by \$219,776 from \$1,071,439 to \$851,663 General Revenue Fund.
Expense and Equipment by \$79,087 from \$158,172 to \$79,085 General Revenue Fund.
From \$1,229,611 to \$930,748 in total from General Revenue Fund.
From \$1,369,081 to \$1,070,218 in total for the section.

Section 10.525

I hereby veto \$232,533 general revenue for the Kirksville Regional Center.

Personal Service by \$185,617 from \$844,860 to \$659,243 General Revenue Fund.
Expense and Equipment by \$46,916 from \$93,873 to \$46,957 General Revenue Fund.
From \$938,733 to \$706,200 in total from General Revenue Fund.
From \$1,067,200 to \$834,667 in total for the section.

Section 10.530

I hereby veto \$228,962 general revenue for the Poplar Bluff Regional Center.

Personal Service by \$182,954 from \$962,188 to \$779,234 General Revenue Fund.
Expense and Equipment by \$46,008 from \$92,015 to \$46,007 General Revenue Fund.
From \$1,054,203 to \$825,241 in total from General Revenue Fund.
From \$1,191,393 to \$962,431 in total for the section.

Section 10.535

I hereby veto \$228,036, including \$159,616 general revenue for the Rolla Regional Center.

Personal Service by \$110,906 from \$1,014,469 to \$903,563 General Revenue Fund.
Expense and Equipment by \$48,710, from \$97,422 to \$48,712 General Revenue Fund.
From \$1,111,891 to \$952,275 in total from General Revenue Fund.

Personal Service by \$55,893 from \$292,931 to \$237,038 Federal Funds.
Expense and Equipment by \$12,527 from \$26,066 to \$13,539 Federal Funds.
From \$318,997 to \$250,577 in total from Federal Funds.
From \$1,430,888 to \$1,202,852 in total for the section.

Section 10.710

I hereby veto \$1,198,381, including \$600,000 general revenue, including \$50,000 for epilepsy education, \$200,000 for the Elks mobile dental program, and \$948,381 for a traumatic brain injury Medicaid waiver.

For community health programs and related expenses.
From \$9,575,396 to \$8,975,396 from General Revenue Fund.
From \$76,931,386 to \$76,333,005 from Federal Funds.
From \$89,267,432 to \$88,069,051 in total for the section.

Section 10.712

I hereby veto \$300,000, including \$150,000 general revenue for tobacco cessation.

Said section is vetoed in its entirety.
From \$150,000 to \$0 from General Revenue Fund.
From \$150,000 to \$0 from Federal Funds.
From \$300,000 to \$0 in total for the section.

Section 10.725

I hereby veto \$500,000 general revenue for the Missouri Area Health Education Centers Program.

From \$500,000 to \$0 from General Revenue Fund.
From \$2,930,434 to \$2,430,434 in total for the section.

Section 10.740

I hereby veto \$191,400 general revenue for the expansion of newborn screening services.

For the State Public Health Laboratory.

Personal Service by \$111,402 from \$1,647,140 to \$1,535,738 General Revenue Fund.

Expense and Equipment by \$79,998 from \$515,702 to \$435,704 General Revenue Fund.

From \$2,162,842 to \$1,971,442 in total from General Revenue Fund.

From \$9,493,610 to \$9,302,210 in total for the section.

Section 10.800

I hereby veto \$433,510, including \$216,755 general revenue for training providers and providing oversight of assessments as required by SB 127 (2013).

Personal Service by \$114,270 from \$8,960,234 to \$8,845,964 General Revenue Fund.

Expense and Equipment by \$102,485 from \$1,075,824 to \$973,339 General Revenue Fund.

From \$10,036,058 to \$9,819,303 in total from General Revenue Fund.

Personal Service by \$114,270 from \$10,276,375 to \$10,162,105 from Federal Funds.

Expense and Equipment by \$102,485 from \$1,426,695 to \$1,324,210 from Federal Funds.

From \$11,703,070 to \$11,486,315 in total from Federal Funds.

From \$21,739,128 to \$21,305,618 in total for the section.

Section 10.815

I hereby veto \$17,290,618, including \$6,381,103 general revenue, including \$14,406,689 for a rate increase for in-home and community-based providers and \$2,883,929 for a rate increase for in-home private duty nursing providers.

For respite care, homemaker chore, personal care, adult day care, AIDS, children's waiver services, home-delivered meals, other related services, and programs.

From \$235,483,417 to \$229,102,314 from General Revenue Fund.

From \$487,180,696 to \$476,271,181 from Federal Funds.

From \$725,689,113 to \$708,398,495 in total for the section.

Section 10.820

I hereby veto \$125,000 general revenue for Alzheimer's grants.

From \$625,000 to \$500,000 from General Revenue Fund.

From \$992,000 to \$867,000 in total for the section.

Section 10.825

I hereby veto \$400,000 general revenue for congregate and home-delivered meals.

For Home and Community Services grants.

From \$11,405,720 to \$11,005,720 from General Revenue Fund.

From \$46,468,678 to \$46,068,678 in total for the section.

Section 10.826

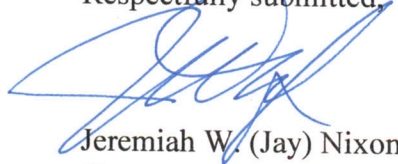
I hereby veto \$50,000 general revenue for the Pacific Senior Center.

Said section is vetoed in its entirety from \$50,000 to \$0 from General Revenue Fund.

From \$50,000 to \$0 in total for the section.

On June 24, 2014, I approved said Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 2010, except for those items specifically vetoed and not approved.

Respectfully submitted,



Jeremiah W. (Jay) Nixon
Governor